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OFFICE OF THE COMPTROLLER
CITY OF ST. LOUIS



DARLENE GREEN
Comptroller

Internal Audit Section

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DR. KENNETH M. STONE, CPA
Internal Audit Executive

May 18, 2009

Gene Stubblefield, Superintendent of Corrections
St. Louis City Justice Center, Department of Public Safety
200 South Tucker Boulevard
St. Louis, MO 63102

RE: Correctional Medical Services Billings (Project #2009-25)

Dear Mr. Stubblefield:

Enclosed is a report of the special review of the Correctional Medical Services (CMS) billings for the medical services provided to the Justice Center's inmates. The review was for the period July 1, 2007 through June 30, 2008.

The audit objectives of this special review were to determine if the:

- Billings to the Justice Center by CMS complied with contract agreement
- Billings agreed with the Justice Center's internal records
- Medical billings reports and information provided by CMS were accurate
- Services rendered complied with the contract agreement

The fieldwork was completed on December 24, 2008.

This review was made under authorization contained in Section 2, Article XV of the Charter, City of St. Louis, as revised, and has been conducted in accordance with the *International Standards for the Professional Practice of Internal Auditing*.

If you have any questions, please contact Internal Audit Section at (314) 622-4723.

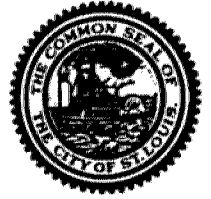
Respectfully,

A handwritten signature in black ink that reads "Kenneth M. Stone".

Dr. Kenneth M. Stone, CPA
Internal Audit Executive

Enclosure

cc: Patrick Schommer, Executive Assistant, Division of Corrections



CITY OF ST. LOUIS CITY OF ST. LOUIS

JUSTICE CENTER

CORRECTIONAL MEDICAL SERVICES (CMS) BILLINGS

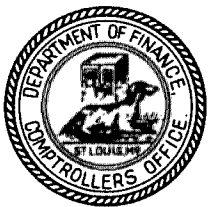
SPECIAL REVIEW

JULY 1, 2007 THROUGH JUNE 30, 2008

PROJECT #2009-25

DATE ISSUED: MAY 18, 2009

**Prepared by:
The Internal Audit Section**



OFFICE OF THE COMPTROLLER OFFICE OF THE COMPTROLLER

Honorable Darlene Green, Comptroller

**CITY OF ST. LOUIS
JUSTICE CENTER
CORRECTIONAL MEDICAL SERVICES BILLINGS
DEPARTMENT OF PUBLIC SAFETY
SPECIAL REVIEW
JULY 1, 2007 THROUGH JUNE 30, 2008**

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INTRODUCTION

Background

Correctional Medical Services, Inc. (CMS) provides comprehensive health services to the inmates of the Justice Center for a fee based on the services provided. The services included screening all new inmates, providing health and dental care.

According to the agreement for the period of July 1, 2007, to June 30, 2008, the Provider was responsible for payment of all off site medical services up to an annual aggregate total of \$1,000,000. If amount incurred was in excess of \$1,000,000, the provider shares 35% of the first \$250,000 above \$1,000,000 and 10% after \$250,000.

Purpose

The audit objectives of this special review were to determine if the:

- Billings to Justice Center by CMS complied with contract agreement
- Billings agreed with the Justice Center's internal records
- Medical billings reports and information provided by CMS were accurate
- Services rendered complied with the contract agreement

Scope and Methodology

The scope of this special review was limited primarily to amounts CMS billed to Justice Center for services provided to Justice Center's inmates. The review procedures included inquiries of management and staff, observation of relevant billing and claim processes, and reviews for compliance with policies and procedures, as well as applicable laws and regulations. The fieldwork was completed on December 24, 2008.

Exit Conference

An exit conference was conducted at the City Justice Center on April 16, 2009. The City Justice Center was represented at the exit conference by Pat Schommer and Mark Fannon. The Internal Audit Section was represented by Mr. Ishmael Ikpeama and Shiv Dharan.

OBSERVATIONS

Status of Prior Observations

The CMS billings were not reviewed previously; therefore, there were no prior observations.

Summary of Current Observation

No evidence was found to suggest that the CMS billings submitted and the services rendered to the Justice Center did not:

- Comply with the requirements of the contract agreement
- agree with the Justice Center's internal records

There were no current observations.